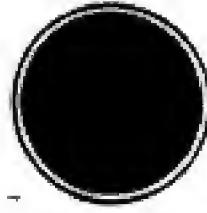


VENONA

~~TOP SECRET~~

USSR

Ref. No.: 3/NBF/T27 (of 27.2.1951)

Issued : [REDACTED] /4/3/1971

Copy No.: 301

5TH REISSUE

PRESS AND OTHER REACTIONS TO TRUMAN'S BECOMING PRESIDENT
 AND FORECAST OF CHANGES IN AMERICAN FOREIGN POLICY
 (1945)

From: NEW YORK

To: MOSCOW

Nos.: 781-787

25th, 26th May 1945

(7-part message complete)

(Part I) To VINTOR(i). Copy to 8th Department.

As a result of MATROS's [ii] accession to power, a considerable change in the foreign policy of the COUNTRY(SFRJ/NA) [iii] should be expected, first and foremost in relation to the USSR (see our No. 350[a]). [7 groups unrecovered] in economic circles which in the past were not always able to exert decisive influence in questions of principle affecting foreign policy, since this

(13 groups unrecoverable)

(Continued overleaf)

3/NBF/T27

VENONA

~~TOP SECRET~~

VENONA~~**TOP SECRET**~~

- 2 -

3/NBF/T27

an organised campaign to "get hold of" MATROS and bring about a change in the policy of the COUNTRY towards the USSR. This campaign was reflected in the first instance in the most reactionary section of the press, which has welcomed MATROS's accession to power, emphasising particularly that henceforth the foreign policy of the COUNTRY will be decided, not independently by MATROS as it was in KAFITAN's [iv] day, but jointly with influential members of the Senate and House of Representatives (including people hostile to us). [6 groups unrecovered] MATROS is maintaining friendly relations in the Senate, not only with Democrats but also with Republicans, including such extreme reactionaries as TAFT, WHEELER(UILLER), BARKLEY and others. The reactionaries are setting particular hopes on the possibility of getting direction of the COUNTRY's foreign policy wholly into their own hands, partly because MATROS is notoriously untried and ill-informed on these matters.

(Part II)

[26 groups unrecovered]

the press of the COUNTRY is conducting [3 groups unrecovered] of all reactionary groups, political and economic, to influence public opinion in the direction they desire

[38 groups unrecovered].

The leading protagonists of this campaign and its instigators are representatives of the BANK[v], the Army and the Navy [7 groups unrecovered] after KAFITAN's death and the end of the war in EUROPE.

(Part III)

In newspaper circles in BABYLON(VAVILOM)[vi] and CARTHAGE(XARFAGE)[vii] it is common knowledge, as has been confirmed to me on separate [1 group unrecovered] by SHIEL'[viii], RICHARD[ix], SHEP[x], Joseph BARNES, CASSIDY, HIGHTOWER(KHAJTAUR) and many other correspondents, that the representatives of the BANK, GREW(GR'Yu), DUNN, HOLMES(COL'Ns),

[33 groups unrecoverable]

VANDENBERG, EATON(ETON), CONNALLY(KANALLI), BLOOD, Admirals KING and LEAHY(LEGI) and Generals SOMERVELL(SOMMERUEL) and MARSHALL are carrying on a systematic anti-Soviet campaign wherein many

[16 groups unrecovered]

(Part IV)

The sources enumerated above said that one of the bitterest anti-Soviet propagandists is KAPITALIST[xi], who

[11 groups unrecovered].

3/NBF/T27

VENONA~~**TOP SECRET**~~

VENONA

~~TOP SECRET~~

- 3 -

3/WB/T27

In private conversations with correspondents (EX KAPITALIST) [1 group unrecovered] that the USSR is aiming at world mastery and is trying to take up a dominating position at the Conference in BABYLON. To prove his words KAPITALIST does not shrink from any chicanery. Thus for example one of his latest [1 group unrecovered] fabrications was that our delegation allegedly threatened to walk out of the Conference if our proposal about the chairmanship was not accepted.

I read the newspapers during the long journey[xii] and, in so doing, read mainly about questions of foreign policy. In all these international affairs MATROS pays great heed to the advice of the above-mentioned representatives of the NAVY, the Army and the Navy. RUMETS AND SKUL' in talking with me forecast that one should expect an even greater intensification of the press campaign [9 groups unrecovered] the campaign are at present pursuing a double aim: to get MATROS firmly into their clutches and at the same time to obtain

(22 groups unrecoverable)

[Part V]

[2 groups unrecovered] has shown that the campaign of intimidation has spent itself, particularly [5 groups unrecovered] the conviction that without financial aid [1 group unrecovered] the USSR ravaged by war, is in no condition to re-establish its economy with any speed. Therefore [8 groups unrecovered] aid demanded at the present time in

(16 groups unrecovered)

economic aid [2 groups unrecovered] supplementary credit. To quote the above-mentioned sources, the foreign policy of the COUNTRY at the present time is moving in the direction of full

(59 groups unrecoverable)

the most active propaganda which, judging by its latest information, is clearly distorting the facts. In a recent conversation with me, the Director of the Institute of Pacific Affairs, CARTER, in the main confirmed RICHARD's statements about the COUNTRY's policy in CHINA. (which have been reported to you [5 groups unrecoverable])

[Part VI]

SHEMEL' and BARNES have expressed serious alarm at the anti- Soviet atmosphere which has arisen in the COUNTRY and were extremely indignant at what MATROS had said, [7 groups unrecovered] the ISLAND[xiii], YAFAL's[xiv] statement on the question of the sixteen Poles was described by SHEMEL' as "disgusting servility towards EDEN". RICHARD particularly asked that our attention should be drawn to the fact that the Head of the COUNTRY's [delegation][b] to the Reparations Commission,

3/WB/T27

VENONA

~~TOP SECRET~~

VENONA

95

~~TOP SECRET~~

- 4 -

3/MBF/T27

PASLEY("PULSE"), although a private owner of oilfields, actually represents the interests of Standard Oil and in RICHARD's opinion his appointment is a "gesture of friendship" by MATROS to the oil men. There is no need to speak of the position of business circles in the campaign which has developed here, inasmuch as these circles are fully represented in the most responsible positions [Cf in the BANK]

[73 groups unrecoverable]

[37 groups unrecovered]

(Part VII) Today a report was published that MATROS has sent to the USSR his personal representatives HOPKINS

[122 groups unrecoverable]

DAVIES's(xv) trip to SIDON[xvi]

[16 groups unrecovered]

No. 482

SERGEI[xvii]

Notes: (a) Not available.

(b) Inserted by translator.

Comments: (i) VIKTOR: Lt.-Gen. P.N. FITIN.

(ii) MATROS: i.e. "SAILOR"; Harry S. TRUMAN..

(iii) COUNTRY: The U.S.A.

(iv) KAPITAN: i.e. "CAPTAIN"; Franklin Delano ROOSEVELT.

(v) BANK: U.S. State Department,

(vi) BABYLON: SAN FRANCISCO.

(vii) CARTERED: WASHINGTON, D.C.

(viii) SHMEL': i.e. "BUMBLEBEE"; Walter LIPPMAN.

(ix) RICHARD: i.e. "RICHARD"; Harry Dexter WHITE was known by this covername, but he seems an unlikely figure to occur in this list of newspaper correspondents.

3/MBF/T27

~~TOP SECRET~~

~~TOP SECRET~~

- 5 -

3/MEF/T27

Comments

(Cont'd): (x) CHIEF: i.e. "CHIEF"; unidentified covername.

(xi) KAPITALIST: i.e. "CAPITALIST"; probably William Averell HARRISON.

(xii) Long journey: PRAVDIN, the originator of this message, returned to NEW YORK from SAN FRANCISCO on 14th May 1945.

(xiii) The ISLAM: GREAT BRITAIN.

(xiv) KAPRAL: i.e. "CORPORAL"; Edward R. STETTINIUS, Jr.

(xv) DAVIES: Joseph E. DAVIES, who was engaged on special missions to LONDON and MOSCOW as President TRUMAN's personal representative.

(xvi) SIDON: LONDON.

(xvii) SERGEJ: Vladimir Sergeyevich PRAVDIN, Editor of the TASS News Agency in NEW YORK CITY. He covered the United Nations Conference at SAN FRANCISCO, which was in session from April 25th to June 26th 1945.

3/MER/T27

TOP SECRET

~~TOP SECRET~~